

Housing Authority - County of Los Angeles

September 17, 2008

To: Each Supervisor

From: William K. Huang, Acting Executive Director



SUBJECT: MONTHLY PROGRESS REPORT ON THE SECTION 8 PROGRAM

On March 13, 2007, your Board instructed the Housing Authority to report monthly on the progress to remove the Section 8 program from its Troubled status under the Section 8 Management Assessment Program (SEMAP). On June 17, 2008, your Board directed the Housing Authority to report on progress made in obtaining HUD VASH (Veterans Affairs Supportive Housing Program) vouchers.

This report covers activities for the period between August 13, 2008 and September 12, 2008, and provides information on the following:

- Lease-up
- Annual Re-Examinations
- Inspections
- Corrective Action Plan
- HUD OIG Audit Report
- HUD OIG Audit on Financial Systems
- The Confirmatory Review for FY 2006-2007
- YARDI System Update
- Los Angeles Housing Resource Center
- Call Center
- HUD - VASH Vouchers

Lease-up, Annual Re-examinations and Inspections

As previously reported, our voucher allocation has increased to 20,876. As of August 31, 2008, our lease-up rate was 96.3%, representing a total of 20,106 assisted families throughout the County. We are maintaining a 2% delinquency rate for our inspections, and are at a 3% delinquency rate for our annual re-examinations. HACoLA's data is pulled from HUD's data reporting system, the Public and Indian Housing Information Center (PIC), which is used to obtain SEMAP performance status.

Corrective Action Plan

To date, one member of the Housing Advisory Board is pending completion of the training as required by the Corrective Action Plan (CAP). As I previously reported, HUD has closed all other items of the CAP.

HUD OIG Audit on Tenant Eligibility and Annual Reexaminations

HUD staff was at HACoLA the week of September 8, 2008 to conduct a confirmatory review of our responses to the initial audit. They are continuing to review open items. I will share the final report upon receipt.

HUD OIG Financial Audit

The on-site audit is still in progress. I will report to your Board if and when any recommendations are made.

HUD's On-Site Confirmatory Review for FY 2007

The follow-up to the on-site confirmatory review for FY 2007 took place the week of July 28, 2008. The results of the review were received the week of September 5 (see attached letter).

As previously reported, there was a reduction of SEMAP points for specific indicators, which resulted in a Troubled status rating. However, we have completed FY 2008 and believe our SEMAP score has improved enough to achieve a Standard rating. HACoLA has already addressed the issues in question through the implementation of business improvement practices begun in CY 2007 and continuing through CY 2008. HUD indicated that the earliest the on-site confirmatory review for FY 2008 can take place would be November 2008, only if Federal travel funding is available.

YARDI Status

The YARDI system has been in place since July 1, 2008; HAP payments have been released using the new system.

The independent review of YARDI is still in progress, but is expected to be completed by the end of September 2008.

Los Angeles Housing Resource Center (formerly Socialserve.com)

For a 28-day period between August 15 and September 11, 2008, the Los Angeles Housing Resource Center averaged 5,864 total listings (a 4% increase over last month), 3,893 participating landlords (a 3% increase over last month), and 141,517 housing searches.

Call Center

Our update will continue next month, as we are in the process of conducting an analysis of call center data over the last few months.

HUD-VASH Vouchers

We are continuing to work with the City of Long Beach and the Housing Authority of the City of Los Angeles (HACLA), who received 70 and 840 vouchers, respectively.

The following activities update the previous report(s):

On September 8, 2008 the Special Needs Housing Unit (SNHU) at HACoLA met with representatives from the Veterans Affairs Medical Centers of West L.A. and Long Beach

(VA), HACLA, and the County of Los Angeles Department of Military and Veterans Affairs (DMVA). The meeting focused on how to tap into the 840 HUD VASH vouchers HACLA received and how to prepare for the next round of VASH funding.

- a) The DMVA currently participates in HACoLA's Section 8 Homeless Set-Aside Program; they have an allocation of 50 vouchers that have been successfully leased.
- b) VA staff handed out client referral forms and provided information on how to proceed with VASH Program referrals.
- c) Larry Newnam, Project Manager with Housing Development and Preservation at HACoLA, attended the meeting to introduce the VA HUD VASH staff, HACLA and the DMVA to the LA County Housing Resource Center (LAHRC). DMVA staff already use the website; HACLA expressed interest in becoming a partner in the LACHRC, while this was a new resource for the VA Centers.

Please contact me should you have any questions or need additional information.

WKH:LO
Attachment

c: Lari Sheehan, Chief Deputy Executive Officer
Sachi A. Hamai, Executive Officer/Clerk Board of Supervisors
Each Deputy



C. Mangin

U.S. Department of Housing and Urban Development
Cleveland Area Office
U.S. Bank Centre
1350 Euclid Avenue, Suite 900
Cleveland, Ohio 44115-1815

RECOVERY AND PREVENTION CORPS

September 5, 2008

Mr. ~~Craig Fortner~~ *William Huang*
Acting Executive Director
Housing Authority of the County of Los Angeles
12131 Telegraph Rd
Santa Fe Springs, CA 90670

Dear Mr. Fortner:

The purpose of this letter is to transmit the final results of the on-site assessment and SEMAP Certification Review of the Section 8 Program administered by the Housing Authority of the County of Los Angeles (HACoLA). This review was conducted under the provisions of 24 CFR 985.107 as a result of the most recent Section 8 Management Assessment Program (SEMAP) Certification for FYE June 30, 2007, your agency received a score of 90 points out of a possible 145 points or 62 percent, and was designated a standard performer.

The on-site SEMAP Certification Review was conducted by a team from the U.S. Department of Housing and Urban Development's Office of Field Operations, Cleveland Office of Recovery and Prevention Corps (RPC) during the months of June and July, 2008.

The following report provides specific details on the results of the on-site review by functional areas of the HACoLA's Section 8 program administration. The following chart is a summary of the scoring results from the submitted certification and the modified score based on the on-site review.

The program management assessment portion of the SEMAP Certification Review report evaluates the PIIA's performance in the areas of Governance, Administrative Plan and related policies, Organization and Staffing, Financial management and controls, Procurement, Inspection Procedures, Housing Stock, Lead Based Paint, and a Check on Closed OIG Audit Findings of Housing Quality Standards (HQS).

It should be noted that 70 out of a possible 145 points is equivalent to 48 percent, which results in a **Troubled designation**. PHAs with troubled performance ratings are required to submit a Corrective Action Plan (CAP) to correct deficiencies as defined in 24 CFR 985.107 that include strategies and goals for achieving improved management performance.

The corrective action plan must:

- (1) Specify goals to be achieved;
- (2) Identify obstacles to goal achievement and ways to eliminate or avoid them;
- (3) Identify resources that will be used or sought to achieve goals;
- (4) Identify a PHA staff person with lead responsibility for completing each goal;
- (5) Identify key tasks to reach each goal;
- (6) Specify time frames for achievement of each goal, including intermediate time frames to complete each key task; and
- (7) Provide for regular evaluation of progress toward improvement.
- (8) Be signed by the PHA Board of Commissioners Chairperson and by the PHA Executive Director.

We have enclosed a sample CAP format for your review and guidance in developing a CAP for your agency's SEMAP deficiencies (indicator rating of zero). The HACoLA will have 45 calendar days from the date of HUD notice to send a written report to HUD describing its correction of any identified SEMAP deficiency.

The courteous and professional manner that was extended to the Review Team by the HACoLA staff is greatly appreciated. If you have any questions regarding the information contained in the report or require clarification of any issues, please contact Ms. Carolyn Cain, Team Lead at (216) 522-4300, extension 7938.

Sincerely,

Patricia A. Knight
Director

Enclosure

Cc: Yvonne B. Burke, Chairperson, Board of Commissioners
K. J. Brockington, Director, Office of Public Housing, Los Angeles Field Office

**Scoring Report on the Confirmation of Section 8 Management
Assessment Program (SEMAP) Certification for the
Housing Authority of County of Los Angeles (HACoLA)
Fiscal Year Ending June 30, 2007**

Indicator	Max. Score	Original Certification	Unconfirmed Score	HUD Review Score
1. Selection from the Waiting List	15	15	15	15
2. Reasonable Rent	20	20	20	20
3. Determination of Adjusted Income	20	0	0	0
4. Utility Allowance Schedule	5	5	5	5
5. HQS Quality Control Inspections	5	5	5	5
6. HQS Enforcement	10	0	0	0
7. Expanding Housing Opportunities	5	5	5	0
8. Payment Standards	5	5	5	5
9. Annual Reexaminations *	10	10	10	0
10. Correct Tenant Rent Calculations *	5	5	5	5
11. Pre-Contract HQS Inspections *	5	5	5	0
12. Annual HQS Inspections *	10	10	10	10
13. Lease-Up	20	0	0	0
14. Family Self-Sufficiency *	10	5	5	5
15. Deconcentration Bonus **	N/A	N/A	N/A	N/A
Total	145	90	90	70
Percent		62	62	48

Note* - These indicators rely on the PIC/MTCS system.

Note** - The Deconcentration Bonus is worth a maximum of five points, but only if the PHA certifies to this indicator. If the PHA is not required to certify to this indicator, and elects not to do so, it does not lower the overall score.